



9/09/028

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District Office
Grand Resource Area
885 So. Sand Flats Road
Moab, Utah 84532

3809
U68-N91-04
(U-068)

APR 23 1991

Mr. Mark A. Reese, Senior Land Agent
United States Borax & Chemical Corporation
Western Regional Exploration Office
255 Glendale Avenue, Suite 19
Sparks, Nevada 89431

Re: Mining Notice U68-N91-04 [T26S, R20E (SLM), Section 9: SW1/4 SW1/4
NE1/4, Grand County, Utah].

Dear Mr. Reese:

On April 15, 1991 at the White Cloud #2 site Sal Venticinque and Elmer Duncan of my staff informed Mr. John Gordon of Gordon Engineering, Inc. that additional stipulations will be added to those proposed by U.S. Borax in their letter dated March 19, 1991. These additional stipulations are as follows:

(1) Topsoil shall be stockpiled on the north side of the site. If left for more than six months these stockpiles shall be contoured and seeded to reduce wind and water erosion.

(2) Surface reclamation of the disturbed area around the Roberts Well shall consist of contouring to approximate the natural surrounding contour, evenly spreading stockpiled topsoil over the area, scarifying and reseeding with the following seed mixture:

<u>Common Name</u>	<u>lbs/acre</u>
Indian ricegrass	3
Fourwing saltbush (White greasewood)	3
Hycrest wheatgrass	3
Western wheatgrass	3
Forage Kochia	1
Common sunflower (Kansas sunflower)	1/2
Yellow sweetclover	1/2
Scarlet globemallow	1/2
<u>Total.....</u>	<u>14 1/2</u>

RECEIVED

MAY 01 1991

DIVISION OF
OIL GAS & MINING

Broadcast seed shall be applied at double the above rate, and seeding shall be done in the fall of the year (Oct.-Dec.).

(3) Upon termination of operations the Authorized Officer must be notified in writing, and reclamation measures commenced within 30 days of such notification.

Because Long Canyon is Bighorn Sheep habitat, and the animals are currently in their lambing cycle we would appreciate the road not be used for daily operations-connected access and egress. Access using State Highway 313 is recommended.

Should you have questions please contact Sal Venticinque of my staff at (801) 259-8193.

Sincerely yours,

/s/ BRAD D. PALMER

Area Manager

c.c.:

- (1) John Gordon, Gordon Engineering, Inc.
- (2) Holland Shepherd, Utah State Division of Oil, Gas and Mining (DOGM).

3

• 3075 WILSHIRE BOULEVARD • LOS ANGELES, CA 90010-1294 • (213) 251-5400
MAIL ADDRESS: P.O. BOX 75128, SANFORD STATION, LOS ANGELES, CA 90075-0128

POWER OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

No. 3778

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

-----C. G. GRASSO, Los Angeles, California-----

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 1st day of August, 19 80.

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA
and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. — FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA
and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Boh A. Dickey, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 8th day of April, 19 91.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Bond Number

5249360

RIGHT-OF-WAY SURETY BOND

Right-of-Way Grant or Temporary Use Permit Serial Number UTU-67332

KNOW ALL MEN BY THESE PRESENTS, that United States Borax & Chemical Corporation as principal,
and SAFECO INSURANCE COMPANY of 16320 Roscoe Boulevard, Van Nuys, California 91406, as
OF AMERICA
surety organized and existing under the laws of the State of Washington having its primary office
at Safeco Plaza, Seattle, Washington 98185, are held and firmly bound unto the United States of America in

the sum of Ten Thousand and no/100----- dollars (\$10,000.00-----)
lawful money of the United States for the payment of which, well and truly to be made, we bind ourselves, each of us, our heirs,
executors, administrators, successors, or assigns, jointly and severally, firmly by these presents.

WHEREAS, said principal made application for the issuance of a right-of-way grant or temporary use permit for the use of the lands
described therein, bearing the above serial number; and

WHEREAS, said principal upon the issuance of such right-of-way grant or temporary use permit, is required to comply with the
following terms and conditions of said grant or temporary use permit: Subject to all terms and conditions of
said grant.

NOW, THEREFORE, If the said principal or his heirs, executors, administrators, successors, or assigns, shall fully comply with the said
terms and conditions then, and in that event, the obligation shall be null and void; otherwise it shall remain in full force and effect.

IN WITNESS WHEREOF, we hereunto set our hands and seals this 8th day of April, 1991.

UNITED STATES BORAX & CHEMICAL CORPORATION

By:

Gordon L. Toll
(Signature of Principal)
Vice President - Technical

SAFECO INSURANCE COMPANY OF AMERICA

(Signature of Surety)

SIGNATURES OF WITNESSES

Charles E. Webster

Charles E. Webster

Jacqueline G. Stonskas

Jacqueline G. Stonskas

Martha Y. Diaz

Martha Y. Diaz

Kimberly J. Sepulveda

Kimberly J. Sepulveda

By

C. G. Grasso
C. G. Grasso, Attorney-in-Fact

ADDRESSES OF WITNESSES

3075 Wilshire Blvd.
Los Angeles, CA 90010

3075 Wilshire Blvd.
Los Angeles, CA 90010

3200 Wilshire Boulevard,
Los Angeles, California

3200 Wilshire Boulevard,
Los Angeles, California

Two witnesses, with the post office address of each, are required to each signature. The seal of each corporation surety, and a copy of the Power of Attorney of the Authorized Agent of a surety company must accompany the bond.

Moab District Office
Grand Resource Area
885 So Sand Flats Road
Moab, UT 84532

3809
U68-N91-04
(U-068)

APR 01 1991

Mr. J. M. Colvin, Land Manager
United States Borax & Chemical Corporation
3075 Wilshire Boulevard
Los Angeles, California 90010

Re: Mining Notice U68-N91-04 [T26S, R20E (SLM), Section 9: SW1/4
SW1/4 NE1/4, Grand County, Utah].

Dear Mr. Colvin:

Thank you for submitting your mining notice in accordance with 43 CFR 3809 regulations. It was received at our office on March 21, 1991, and has been given the serial number U68-N91-04; please refer to this number in all future correspondence regarding this mining notice.

Your Mining Notice U68-N91-04 covers only surface disturbances within the project area (see your Plat No. 2) and mineral exploration operations as provided for in 43 CFR 3809.0-1, 0-2. Any operations involving the abandoned Roberts White Cloud #2 Well (the property of the United States) will have to be covered under a Right-of-Way (ROW) application. If a ROW for well entry and operations is granted, appropriate stipulations will be required to insure that all resources are protected, and that undue or unnecessary degradation of Federal land is avoided.

Review of U68-N91-04 for content (as required under 43 CFR 3809.1-3) reveals that it is in order. Operations under this mining notice may begin on or after April 5, 1991.

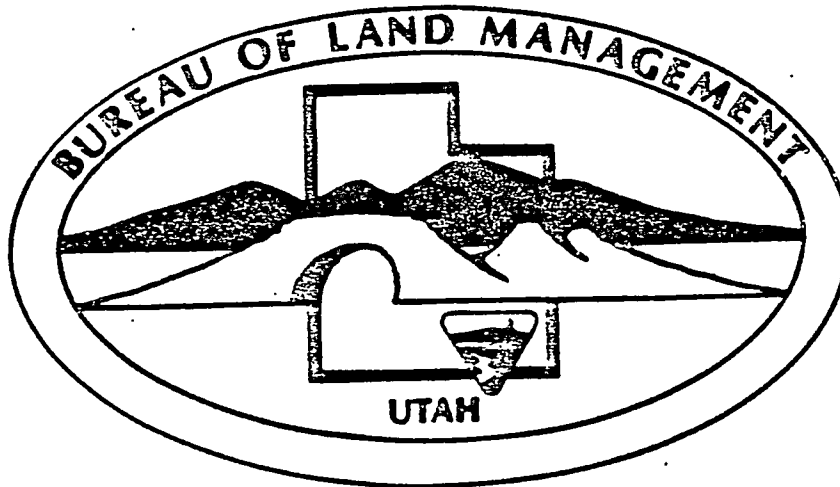
Should you have questions regarding U68-N91-04 please contact Sal Venticinque of my staff at (801) 259-8193. For questions regarding a ROW Application please contact Lindell Greer, of my staff, at the above telephone number.

Sincerely yours,

/s/ BRAD D. PALMER
Area Manager

C. C. Holland Shepherd, Utah State Division of Oil, Gas and
Mining (DOCM)

211
F A X TRANSMITTAL



To: MR. J. M. COLVIN, LAND MANAGER

From: BRAD PALMER, AREA MANAGER, G.R.A

Subject: MINING NOTICE U68-N91-04

Number of Pages: 1

FAX Machine No.: 213-251-5495

Date: 4-1-91

Time: 11:30 a

USO Log No.: _____

Comments:

* ORIGINAL WILL BE SENT *

PLEASE ACKNOWLEDGE RECEIPT

USBORAX

March 19, 1991

Bureau of Land Management
Moab District Office
P.O. Box 970
Moab, UT 84532
ATTN: Mr. Gene Nodine,
District Manager; and

Mr. William C. Stringer,
Assistant District Manager, Minerals

Re: Notice of Intent
Dry Fork Placer Claims
Grand County, Utah

Gentlemen:

United States Borax & Chemical Corporation ("U.S. Borax") has recently located a number of placer mining claims on certain lands found to contain locatable minerals during previous exploration drilling. These locatable minerals were discovered by virtue of assays of complex liquid brine solutions commonly found in subsurface formations in the Paradox Basin. The assays showing the various chemical constituents of these brines are a matter of public record.

Pursuant to 43 CFR part 3809, U.S. Borax hereby gives Notice of Intent to explore for the locatable minerals contained in the aforementioned complex brine solutions.

These complex brine solutions also contain Sodium and Potassium commingled with the known locatable minerals. Although these leasable minerals are present, they are not of interest to U.S. Borax in this exploration program. Our research to date strongly suggests that these brines do not contain Sodium or Potassium in commercially valuable forms. The Potassium (Potash) produced by Texas Gulf from its nearby operation is not from these naturally occurring brine solutions, but from solid formations.

Federal court case decisions clearly show that a mineral locator has the right to explore for and produce locatable minerals that are commingled with leasable minerals in brines; provided that the leasable minerals are not commercially valuable and are not

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essential to the existence of the locatable mineral(s). Three court cases which have direct application are cited below.

First is the case of Foote Mineral Co. v. the United States. That case involved a controversy over Foote's production of a locatable mineral (Lithium) from complex brines containing Sodium and Potassium. The government's position was that Lithium was leasable (and a royalty payable) due to its commingled existence in the brine with leasable Sodium and Potassium. The case was ultimately decided in favor of Foote on appeal to the U.S. Court of Claims (now the Claims Court) (654 Fed. 2d 81). That court overturned an earlier IBLA decision and asserted Foote's right to produce Lithium from the commingled brine under the mining laws. The court's basis for its decision in favor of Foote was that the Sodium and Potassium were not commercial in the brine and that they were not essential to the presence of Lithium. It should be noted that Foote subsequently obtained a patent for the placer mining claims involved in the case.

The second reference is the case of the United States v. Levon Bardsley et al (IBLA 79-71). In that case, the IBLA affirmed an administrative court decision in favor of the Bardsley's allowing them to produce Calcium Chloride from a complex Sodium/Potassium brine under the mining laws. As above, the IBLA's reasoning was based on the non-commercial value of the Sodium and Potassium and that those elements, though commingled with Calcium, were not essential to the existence of the Calcium Chloride constituents in the brine.

The third reference is the case of United States v. Union Carbide Corporation (31 IBLA 72 (1977)). In that case, the IBLA relied on a two fold test to determine if a locatable mineral is leasable when commingled with a leasable mineral. First, the leasable mineral must be present in sufficient quantity to be commercially valuable. Second, the leasable mineral must be essential to the molecular structure of the locatable mineral. "Absent both of these contingencies, the natural brine is not subject to the sodium provisions of the Mineral Leasing Act."

These cases clearly establish the rights necessary for U.S. Borax to proceed with exploration for locatable minerals under the mining laws and it is on that basis U.S. Borax will proceed with its program described in this Notice of Intent.

CLAIMANT AND OPERATOR

United States Borax & Chemical Corporation
3075 Wilshire Blvd.
Los Angeles, CA 90010

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ATTN: Mr. J. M. Colvin
Land Manager

(213) 251-5400 (Telephone)
(213) 251-5495 (Facsimile)

and

United States Borax & Chemical Corporation
Western Regional Exploration Office
255 Glendale Ave. Suite 19
Sparks, NV 89431
ATTN: Mr. Mark A. Reece
Senior Land Agent

(702) 358-9500 (Telephone)
(702) 358-9529 (Facsimile)

The actual operations conducted under this Notice of Intent will be the responsibility of the Sparks, Nevada office; however any formal communications for U.S. Borax should be directed to both offices listed above.

CLAIM DESCRIPTION

On or about February 28, 1991, U.S. Borax completed the location of the Dry Fork #1 - 32 placer claims, covering Section 9 of T. 26 S., R. 20 E., in its entirety. Said claims are presently being recorded as required by State and Federal laws. Recording information will be provided as soon as possible. The claim group is shown on the map provided as Exhibit "A-1". The entire exploration operation under this Notice of Intent will be conducted on and confined to a small portion of Dry Fork claim #23.

PROJECT SITE DESCRIPTION

This Notice of Intent covers the site of the Roberts-White Cloud #2 brine exploration hole which is generally situated in the SW¼NE¼ of Section 9, Township 26 South, Range 20 East, SLM, Grand County, Utah. These lands are administered by the BLM. These lands are not withdrawn from mineral location. The site is shown on the map attached hereto as Exhibit "A-2".

As the BLM is aware, the Roberts-White Cloud #2 well blew out and eventually sealed itself off after spewing thousands of barrels of high pressure brine on the surface during its original drilling in the 1960's. For reasons unknown to U.S. Borax, the original operator thereafter abandoned the well and drill site without performing proper plugging operations.

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GENERAL DESCRIPTION OF OPERATIONS AREA

The "abandoned" Roberts-White Cloud #2 brine test well and drill site are on high ground above Bull Canyon. The ground surface around the site slopes gently toward the East. The Colorado River is approximately three miles East by way of Bull Canyon. The site is over one mile north of the Dead Horse Point State Park boundary. The site is out of the Park and is not visible from the Park or its main access road.

The site has been partially reclaimed and is sparsely covered at present with sage and grass. The surrounding lands are vegetated with many varieties of juniper, pinions, sage and grasses, none of which are known to U.S. Borax as endangered.

A number of exploratory oil wells have been drilled and abandoned in the general vicinity of this project. There is a producing oil well (Southern Natural #1) approximately 400 ft. to the Southwest.

Access to the site will be over existing roads.

PRIMARY CONTRACTOR

U.S. Borax will be the project operator, however a significant portion of the re-entry, testing and plugging operations will be supervised by a professional engineering consultant under contract to U.S. Borax:

Gordon Engineering, Inc.
P.O. Box 3525
Grand Junction, CO 81502
ATTN: Mr. John Gordon

(303) 245-1958 (Telephone)
(303) 242-5106 (Facsimile)

Gordon Engineering's activities will be subject to the overall control and direction of U.S. Borax.

DESCRIPTION OF OPERATIONS

U.S. Borax, Gordon Engineering and Mr. E. Jay Mayhew (our special brine consultant) have formulated a detailed program for re-entry of the well and testing the target brine. The detailed program is attached as Exhibit "B". The equipment to be utilized is also described on Exhibit "B".

Our program is briefly summarized in the following paragraphs:

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The site will be prepared for our operations as soon as possible. On or before April 15, 1991, Gordon Engineering, Inc. will move in and set up the required equipment on the prepared drill site, re-enter the old well, clean and re-work it as necessary to test the brine bearing formations. The brine is expected to be under very high pressure. Careful steps will be taken to protect all formations and to prevent surface blowout.

Following our successful re-working of the well, brine will be allowed to flow under natural pressure at a controlled rate into portable tanks until sufficient samples have been collected. We presently anticipate the total test flow to be less than 80,000 gallons of brine.

After sufficient test samples have been collected, the brine remaining in the surface tanks will be removed by truck and disposed of at an approved site. The well will be shut-in until the results of our chemical analyses are determined. These analyses will be pursued as expeditiously as possible. Upon completion of our analyses, we will decide either to complete the well as needed for subsequent use or to plug and abandon it.

We expect the field testing operations to be completed within thirty days after commencement of the re-entry.

DRILL HOLE PLUGGING AND ABANDONMENT

If U.S. Borax determines that either a) down hole conditions preclude re-entry, re-working and/or use of the hole for testing purposes; or b) future production of locatable minerals (or other related use of the hole) is not feasible, the well will be plugged and abandoned. The method of plugging and abandonment would be determined and performed based on conditions encountered down hole and in the best possible manner to comply with applicable laws. If the hole is plugged, specific information will be provided to the Authorized Officer and to the State of Utah.

COMPLETION FOR SUBSEQUENT USE

If test results are favorable and subsequent use of the Roberts-White Cloud #2 well appears feasible, that well will be completed as necessary. In that event, the drill site will be temporarily reclaimed and the well will be appropriately secured against tampering or vandalism. Specific information as to the completion of the well for subsequent use will be provided to the Authorized Officer and to the State of Utah.

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PREVENTION AND CONTROL MEASURES

U.S. Borax has gone through considerable effort to insure that this exploration operation will be conducted properly in compliance with applicable law and good practices. U.S. Borax will take appropriate steps to protect and control the following:

FIRE HAZARDS: Operating equipment and vehicles will be equipped with fire extinguishers, spark arresters, water, shovels and other such equipment as required by law. Fire danger is expected to be minimal during the springtime period for which operations are proposed.

SOIL EROSION: By using the existing access roads and the level drill site, there should be little or no increase in the existing erosion potential in our operations area. Operations will be curtailed or suspended as necessary and appropriate during exceptionally wet or muddy periods.

WATER POLLUTION: It is most unlikely that this operation could result in surface water pollution. Only natural based drilling muds will be used and they will be stored in portable pits. We will take the appropriate precautions to insure that all brine flows will be carefully controlled and stored in tanks and that no brine will be discharged onto the surface as a result of this operation. All non-fuel fluids to be used in the operation will be stored in reasonably small containers. In the unlikely event that any chemicals, oils, lubricants or fuels are accidentally spilled, they will be cleaned up and/or neutralized immediately.

By virtue of locating the operation on an existing level drill site, some distance from established drainages, any water spilled on the ground surface should evaporate or percolate prior to reaching those drainages. The only other significant source of surface water would be precipitation. In the event of a major storm where natural flooding conditions occur, our operations site would not significantly increase the natural turbidity of storm runoff.

The present condition of groundwaters and aquifers in the immediate vicinity of the Roberts-White Cloud #2 well is not known due to uncertainties associated with the original drilling operations and the blow out that occurred. U.S. Borax has planned this exploration program in a manner that will cause no detrimental effects on aquifers. By virtue of our proper re-entry, work over and completion or plugging procedures, the present condition of ground waters and aquifers at the site will be protected and possibly improved.

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AIR POLLUTION: All vehicles and equipment will be emissions equipped as required by law. No volatile hazardous materials or gasses will be used, stored, created or vented to the atmosphere except as allowed by law. Steps would be taken as necessary to minimize dust created by vehicle traffic.

FISH AND WILDLIFE: The closest fish are located in the Colorado River, approximately three miles away. They are in no danger from this operation.

Wildlife species will naturally avoid our operations. The equipment itself poses no threat to wildlife. No poisonous or hazardous materials that would be attractive to wildlife will be stored at the drill site. Personnel will be instructed to leave wildlife alone.

PUBLIC HEALTH AND SAFETY: The operations site is not visible to the general public from the nearest paved highway or the State Park. Access to the site from the paved highway will not be marked in any manner that would arouse public interest. Anyone who does discover the drill site will be allowed to observe only from a safe distance. Only employees and authorized personnel (i.e. federal and state inspectors) will be allowed to remain on the drill site for more than a very brief period. Equipment and the drill site will be properly secured during periods of non-operation.

CLEAN-UP AND RECLAMATION

During operations, the drill site and access roads will be kept as clean and uncluttered as reasonably possible. Trash and wastes will be collected and disposed of properly at an approved site. Any spilled fluids would be immediately cleaned up, neutralized and disposed of in an appropriate manner.

Interim cleanup of the site will begin promptly following completion of the brine test flow program. That program would consist of removal of unnecessary equipment and any wastes or trash around the site.

In the event that our test results are favorable and future production is a possibility, the BLM and the State of Utah would be contacted and future operational needs will be discussed and the proper permits applied for.

In the event that production is not feasible at this site, total reclamation of the site will be commenced promptly unless delayed by adverse weather or directed otherwise by an authorized officer. All trash and equipment will be removed. The drill site will be

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touch-up leveled and compacted by a small tractor or loader with a blade. The drill site will then be reseeded with an approved seed mix in the amounts and at those times recommended by an authorized officer. Unless directed otherwise, the seed mix will be hand broadcasted and raked in.

ADDITIONAL STATEMENTS IN SUPPORT OF THIS NOTICE OF INTENT

U.S. Borax is of the opinion that the exploration operation described in this Notice of Intent is contemplated by and permissible under the mining laws. The project involves locatable minerals on BLM administered lands which are not withdrawn from location. The Roberts-White Cloud #2 well did discover brines which were sampled and found to contain locatable minerals in considerable quantities. The mining law recognizes the right of a claimant to rely upon a prior discovery by others. Relying on that previous discovery, U.S. Borax has located mining claims on these lands in compliance with applicable laws. There is clear legal precedent providing for exploration and production of locatable minerals under the mining laws when they are commingled with non-commercial and non-essential Sodium and Potassium. We are convinced that the Sodium and Potassium in the target brines are non-commercial and non-essential, and we are prepared to risk exploration monies accordingly.

U.S. Borax has no intention whatsoever to use the mining laws inappropriately to produce the leasable minerals that are contained in these complex brines. To do so would be contrary to the law and unethical. U.S. Borax will voluntarily provide the Authorized Officer with test results sufficient to show the content of the Sodium and/or Potassium in the brines. In the unlikely event that U.S. Borax's exploration and testing operations under this Notice of Intent result in an unexpected discovery of Sodium and/or Potassium in clearly commercial quantities, or if they are found to be essential to the existence of the locatable minerals, U.S. Borax agrees that it will not be entitled to conduct additional exploration for, or production of the target brine solution under the mining laws. U.S. Borax agrees, in that event, that the leasing laws should then govern any future operations.

43 CFR 3809.0-6 states "... it is the policy of the Department of the Interior to encourage the development of Federal mineral resources and reclamation of disturbed lands. Under the mining laws a person has the statutory right, consistent with Departmental regulations, to go upon the open (unappropriated and unreserved) Federal lands for the purpose of mineral prospecting, exploration, development, extraction and other uses reasonably incident thereto." U.S. Borax's activities under this Notice of Intent are plainly contemplated by and consistent with the stated policy.

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During our meeting with BLM staff members in Moab on March 11, 1991, it was discussed that the BLM prefers a special right-of-way as an appropriate means for U.S. Borax to obtain legal access to the drill site and Roberts well. U.S. Borax is submitting a right-of-way application with this Notice of Intent. We wish to point out that 43 CFR 3809.3-3 states "An operator is entitled to access to his operations consistent with provisions of the mining laws." U.S. Borax is of the opinion that the special right-of-way is not necessary or appropriate for this project and that access is clearly envisioned in the mining laws. If you accept this opinion, please return the right-of-way application and filing fee to our Sparks, Nevada office.

43 CFR 3809.0-2 provides for mineral entry and exploration of these lands; provided that it is done in a manner that prevents undue degradation of lands. U.S. Borax intends to explore for locatable minerals in a manner that will prevent undue degradation of the subject lands. By using the existing roads and drill site, this project will cause an absolute minimum disturbance.

No one can say for certain that the Roberts well is presently in a safe and stable condition as is, or for how long it might remain that way. Under this Notice of Intent, U.S. Borax will properly plug or complete the well. This will certainly be an improvement to an environmentally degraded site. We hope that the BLM will not act to prevent the exploration operations proposed in this Notice of Intent.

43 CFR 3809.1-3 provides that notification of a proposed operation shall be made at least 15 days in advance of operations. U.S. Borax will not commence operations described herein prior to April 5, 1991. The cited section also provides that "Approval of a notice, by the authorized officer, is not required."

U.S. Borax is a major corporation with the experience and resources to perform all of its goals and responsibilities under this Notice of Intent. U.S. Borax will perform interim reclamation as directed and any and all final reclamation of its operations areas in full compliance with 43 CFR 3809.1-3(d).

In the event you need additional information, please contact me at the Sparks, Nevada office address provided herein.

Sincerely,



Mark A. Reece
Senior Land Agent

468-15N-29N

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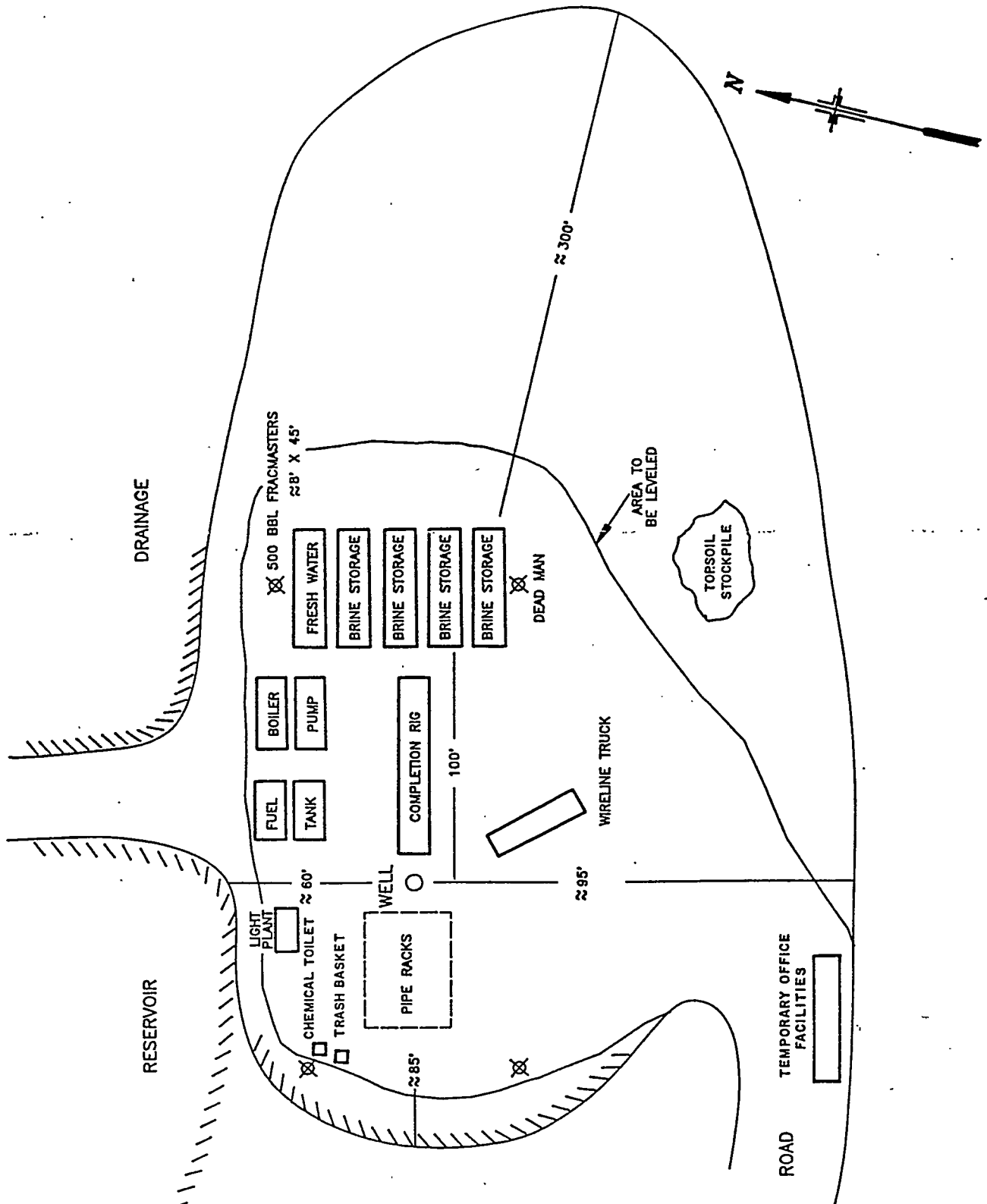
A map of Little Valley showing the location of the Little Valley School District. The map includes the Little Valley School District, the Little Valley School, and the Little Valley School District. The map also shows the Little Valley School District, the Little Valley School, and the Little Valley School District.

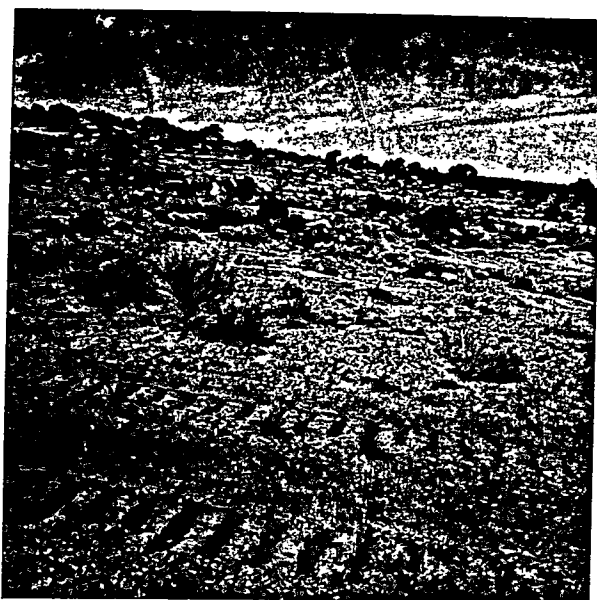
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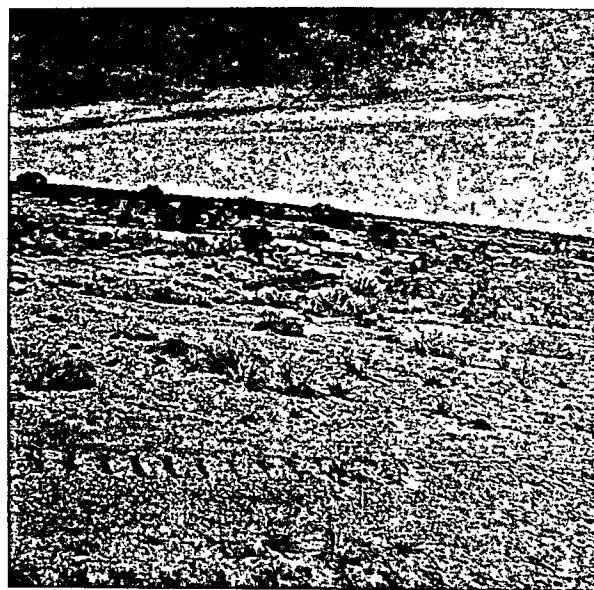
PLAT NO. 2
ROBERTS WHITE CLOUD #2
LOCATION LAYOUT

U68-N91-04





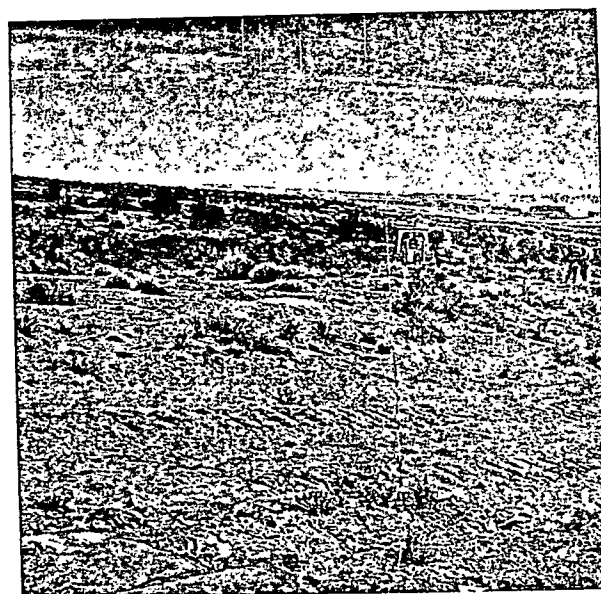
U68-N91-04 U.S. Borax & Chemical
View from existing access road (looking S-SW) of south end of site. Tracks on road. Photo 1, taken April 15, 1991.



U68-N91-04 U.S. Borax & Chemical
Clockwise continuation from Photo 1. Photo 2, taken April 15, 1991.



U68-N91-04 U.S. Borax & Chemical
Clockwise from Photo 2. Photo 3, taken April 15, 1991.



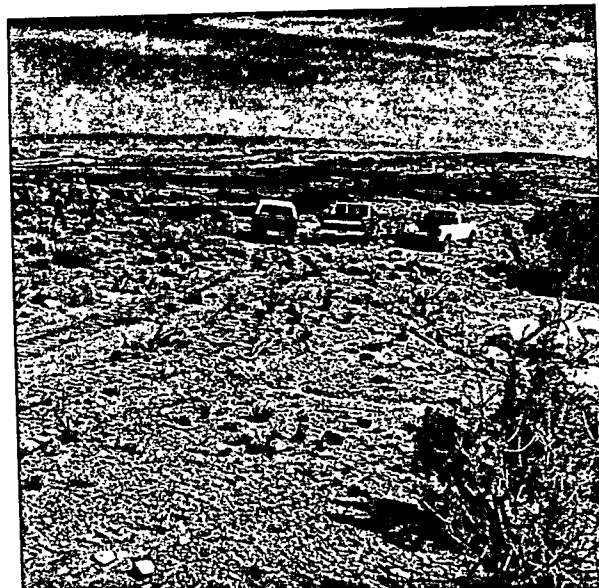
U68-N91-04 U.S. Borax & Chemical
Clockwise from Photo 3. Photo 4, taken April 15, 1991. NW CORNER OF SITE.



U68-N91-04 U.S. Borax & Chemical

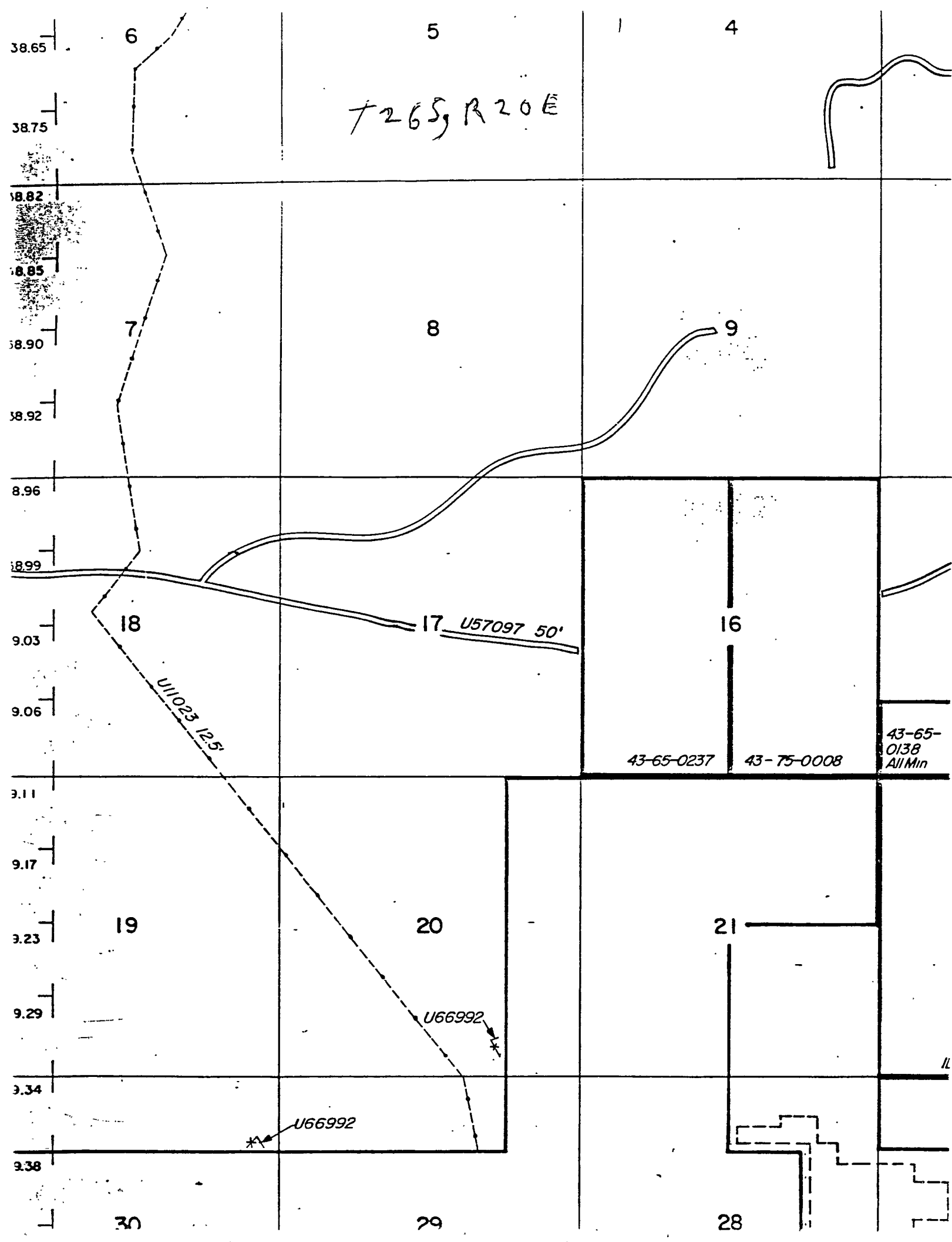
Clockwise from Photo 4. Photo 5,
taken April 15, 1991. ~~North edge of~~
site.

EDGE



U68-N91-04 U.S. Borax & Chemical

Clockwise from photo 5, showing NE
corner of site. Photo 6, taken
April 15, 1991.



468-N91-04

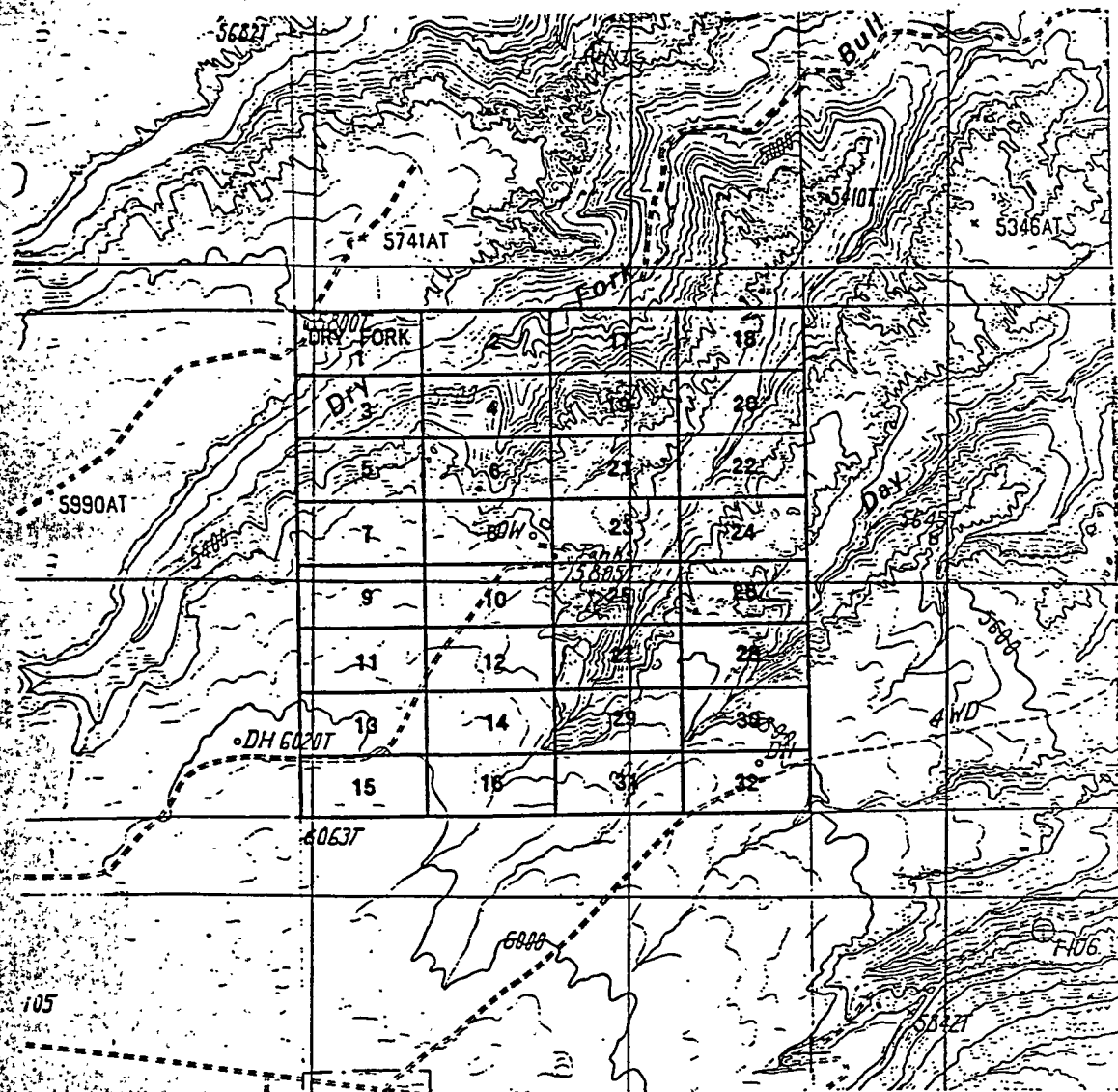
MINING NOTICE CHECK LIST

	No Conflict	Conflict	Comments
LAND STATUS	N. ✓		
A.C.E.C.	NOA		
ORV AREA	NOA		
WILDERNESS	NOA		
NATIONAL WILD AND SCENIC RIVERS	NOA		
WILDLIFE	OK	✓	*
GRAZING	None seen		Attached
ARCHEOLOGY	4A		Inventory completed 2-21-91

* Do not gain access into AREA
VIA Hwy, Can. Rd. - Bighorn Sheep
AREA

468-N91-04

R 20 E



NOTE: ALL DRY FORK CLAIMS ARE TIED TO THE SE CORNER SECTION 9 T 26 S, R 20 E SLBM.

GOLD BAR CANYON 7 1/2' QUAD.

EXHIBIT "A-1"

U.S. BORAX & CHEMICAL CORP.
255 Glendale Ave., #19
Sparks, NV 89431



SCALE 1"=2000'

PLACER CLAIMS DRY FORK 1-32
GRAND COUNTY, UTAH
SECTION 9 T 26 S R 20 E SLBM

STAKED DRY FORK 1-4, 17-24 FEB. 28, 1991
DRY FORK 5-16, 25-32 FEB. 27, 1991

MEMORANDUM

GRAND RESOURCE AREA

To: Sal
From: Raymon Carling
Date: April 8, 1991
Subject: U68-N91-04

xx

Only one comment or concern. If this is a new disturbance (not previously leveled), I think it would be appropriate to require the company to stockpile the top soil from the site and then to spread it on the disturbed area (after the site is reshaped) as part of their final reclamation efforts. The seed (see attached list) would then be broadcast seeded. Will any new access roads be required or will any existing roads be upgraded?